



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-351-842]

Certain Uncoated Paper from Brazil: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the “Department”) preliminarily determines that certain uncoated paper (“uncoated paper”) from Brazil is being, or is likely to be, sold in the United States at less than fair value (“LTFV”), as provided in section 733(b) of the Tariff Act of 1930, as amended (“the Act”). The period of investigation (“POI”) is January 1, 2014, through December 31, 2014. The estimated weighted-average dumping margins of sales at LTFV are shown in the “Preliminary Determination” section of this notice. Interested parties are invited to comment on this preliminary determination.

DATES: Effective Date: [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Julia Hancock or Paul Walker, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1394 or (202) 482-0413, respectively.

SUPPLEMENTARY INFORMATION: On February 10, 2015, the Department initiated the antidumping duty investigation on uncoated paper from Brazil.¹

¹ See *Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Initiation of Less-Than-Fair-Value investigations*, 80 FR 8608 (February 18, 2015).

For a complete description of the events that followed the initiation of this investigation, see the Preliminary Decision Memorandum.² The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is uncoated paper from Brazil. For a full description of the scope of this investigation, *see* the "Scope of the Investigation," in Appendix I.

Scope Comments

Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a discussion of those comments, *see* the Preliminary Decision Memorandum.³

Postponement of Deadline for Preliminary Determination

On May 18, 2015, Petitioners⁴ submitted a timely request for a 50-day postponement of the preliminary determination in this investigation pursuant to section 733(c)(1)(A) of the Act

² See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Certain Uncoated Paper from Brazil" ("Preliminary Decision Memorandum"), dated concurrently with and hereby adopted by this notice.

³ See also Memorandum from Erin Begnal, Director, Office III, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance "Scope Comments Decision Memorandum for the Preliminary Determinations" (August 3, 2015).

⁴ Petitioners are United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; Domtar Corporation; Finch Paper LLC; P.H. Glatfelter Company; and Packaging

and 19 CFR 351.205(e).⁵ On June 1, 2015, we postponed the preliminary determination by 50 days.⁶ As a result of the postponement, the revised deadline for the preliminary determination of this investigation is now August 19, 2015.

Methodology

The Department is conducting this investigation in accordance with section 731 of the Act. There are two mandatory respondents participating in this investigation, International Paper⁷ and Suzano.⁸ Export price and constructed export price for these companies, as appropriate, are calculated in accordance with section 772 of the Act. Normal value (“NV”) is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.

All-Others Rate

Consistent with sections 733(d)(1)(A)(ii) and 735(c)(5) of the Act, the Department also calculated an estimated all-others rate. Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

Specifically, this rate of 37.76 percent is based on a simple average of the weighted-average margin calculated for each mandatory respondent. Because the Department cannot apply our normal methodology of calculating a weighted-average margin due to requests to

Corporation of America (collectively “Petitioners”).

⁵ See Letter to the Secretary of Commerce from Petitioners “Request For Postponement Of The Preliminary Determination” (May 18, 2015).

⁶ See *Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Postponement of Preliminary Determinations of Antidumping Duty Investigations*, 80 FR 31017 (June 1, 2015).

⁷ International Paper do Brasil Ltda., and International Paper Exportadora Ltda. (collectively “International Paper”).

⁸ Suzano Papel e Celulose S.A./Suzano Pulp and Paper America, Inc. (“Suzano”).

protect business-proprietary information, the Department finds this rate to be the best proxy of the actual weighted-average margin determined for these respondents.^{9,10}

Preliminary Determination

The Department preliminarily determines that the following weighted-average dumping margins exist:

Exporter/Producer	Weighted-Average Margin
International Paper do Brasil Ltda. and International Paper Exportadora Ltda. ¹¹	42.42 percent
Suzano Papel e Celulose S.A.	33.09 percent
All-Others	37.76 percent

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection (“CBP”) to suspend liquidation of all entries of uncoated paper from Brazil, as described in Appendix I of this notice, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

⁹ See, e.g., *Certain Frozen Warmwater Shrimp from India: Final Results of Antidumping Duty Administrative Review, Partial Rescission, and Final No Shipment Determination*, 76 FR 41203, 41205 (July 13, 2011).

¹⁰ See Memorandum to the File from Julia Hancock, Senior Case Analyst, Office V, Enforcement and Compliance, Subject: Certain Uncoated Paper from Brazil: Calculation of All-Others’ Rate in Preliminary Determination (August 19, 2015).

¹¹ In this preliminary determination, we determine that International Paper do Brasil Ltda. and International Paper Exportadora Ltda. constitute a single entity. See Preliminary Decision Memorandum at “Affiliation Determinations” section, and Memorandum to the File from Julia Hancock, Senior International Trade Analyst, Office V, through Paul Walker, Acting Program Manager, Office V “Calculations Performed for International Paper do Brasil Ltda. and International Paper Exportadora Ltda. for the Preliminary Determination in the Antidumping Duty Investigation of Certain Uncoated Paper from Brazil” (August 19, 2015), at 2-3.

In accordance with 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit equal to the preliminary weighted-average amount by which normal value exceeds U.S. price, as indicated in the chart above.¹² These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

We will disclose the calculations performed to interested parties in this proceeding within five days of the date of the announcement of our preliminary determination in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i) of the Act and 19 CFR 351.307, we intend to verify information relied upon in making our final determination.

Public Comment

Interested parties are invited to comment on this preliminary determination. Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the final verification report is issued in this proceeding, and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹³ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

¹² See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

¹³ See 19 CFR 351.309.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce. All documents must be filed electronically using ACCESS. An electronically-filed request must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time, within 30 days after the date of publication of this notice.¹⁴ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by Petitioners. Pursuant to 19 CFR 351.210(e)(2) requests by respondents for postponement of a final antidumping determination must be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On August 13, 2015, pursuant to 19 CFR 351.210(b) and (e), International Paper requested that, contingent upon an affirmative preliminary determination of sales at LTFV, the Department postpone the final determination and that provisional measures be extended to a

¹⁴ See 19 CFR 351.310(c).

period not to exceed six months.¹⁵ In addition, Petitioners requested that the Department postpone its final determination in accordance with 19 CFR 351.210(b)(2)(i).¹⁶

In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because (1) our preliminary determination is affirmative; (2) the requesting exporters account for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, we are postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.¹⁷

International Trade Commission (ITC) Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our affirmative preliminary determination of sales at LTFV. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

¹⁵ See Letter to the Secretary of Commerce from International Paper “Request for Postponement of Final Determination” (August 13, 2015).

¹⁶ See Letter to the Secretary of Commerce from Petitioners “Petitioners’ Comments on the Extension of the Final Determination” (July 31, 2015).

¹⁷ See also 19 CFR 351.210(e).

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: August 19, 2015.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

The merchandise covered by this investigation includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).

Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (“BCTMP”) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes.

Imports of the subject merchandise are provided for under Harmonized Tariff Schedule of the United States (“HTSUS”) categories 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000, 4802.57.3000, and 4802.57.4000. Some imports of subject merchandise may also be classified under 4802.62.1000, 4802.62.2000, 4802.62.3000, 4802.62.5000, 4802.62.6020, 4802.62.6040, 4802.69.1000, 4802.69.2000, 4802.69.3000, 4811.90.8050 and 4811.90.9080. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

1. Summary
2. Background
3. Period of Investigation
4. Postponement of Final Determination and Extension of Provision Measures
5. Scope Comments
6. Affiliation Determinations
7. All Others Rate
8. Discussion of the Methodology
 - A. Determination of the Comparison Method
 - B. Results of Differential Pricing Analysis
9. Date of Sale
10. Product Comparisons
11. Treatment of Re-Export Sales
12. Export Price
13. Constructed Export Price
14. Normal Value
 - A. Home Market Viability
 - B. Affiliated Party Transactions and Arm's-Length Test
 - C. Level of Trade
 - D. Cost of Production Analysis
 1. Calculation of COP
 2. Test of Comparison Market Sales Prices
 3. Results of the COP Test
 4. Constructed Value
 - E. Calculation of Normal Value Based on Comparison Market Prices
15. Currency Conversion
16. Verification

[FR Doc. 2015-21176 Filed: 8/26/2015 08:45 am; Publication Date: 8/27/2015]